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PERSONNEL

EMPLOYEE SERVICES

U. S. FEDERAL INCOME TAX

1. The following is provided as an annual reminder of various facts to be considered by the taxpayer in complying with his U. S. Federal income tax obligation.

2. Final returns and the declaration of estimated income, with any tax payable thereon, are due at the appropriate Internal Revenue Service District Director's office on or before midnight 15 March 1954.

3. Timely filing of returns and payment of taxes avoid penalties as well as inquiries from the Internal Revenue Service that would jeopardize security. If the W-2 form is forthcoming but has not yet been received, the return should be filed on the basis of the estimated approximate income with a notation to this effect and appropriate corrections should be made later on the basis of information furnished in the W-2.

4. Declarations of estimated income are required in certain circumstances. Enforcement of this requirement by the Internal Revenue Service has been rare in the past but can now be expected. As stated above, the declaration is due on 15 March 1954.

5. Penalties for underestimating the income on the previous year's declaration can be avoided by filing a final return on or before 15 January.

6. If a Schedule C (attached to Form 1040) for self-employment income is required, the computation and payment of the Social Security self-employment tax should be noted.

7. Form 1040-A is available in lieu of Form 1040 within a certain income ceiling, but the specific requirements for its use should be observed.

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10. In the event that the taxpayer receives any inquiry from the

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Internal Revenue Service, he should acknowledge the request with a noncommittal but credible reply and notify the Office of the General Counsel immediately. A detailed answer should not be attempted without approval of the Office of the General Counsel.

FOR THE DIRECTOR OF CENTRAL INTELLIGENCE:

/s/
LAWRENCE R. HOUSTON
Acting Deputy Director
(Administration)

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